### COMMISSIONERS' ORDINANCE NO. 0-07-23

AN ORDINANCE AMENDING THE COVINGTON CODE: CHAPTER 112 ALCOHOLIC BEVERAGES.

\* \* \* \*

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF COVINGTON, KENTON COUNTY, KENTUCKY:

#### Section 1

Sections  $\S112.06$  and  $\S112.99$ , which reads as follows, are added to and amend the Covington Code of Ordinances:

TITLE XI: BUSINESS REGULATIONS

§ 112.06 LICENSING AND HEARINGS.

- (A) Licenses required; fees.
  - (1) Schedule of licenses and fees.
- (a) For the privilege of trafficking in alcoholic beverages in the city, and pursuant to the

authority of KRS 243.070, there is hereby established a corresponding city license for each of the state licenses described in the following schedule.

(b) The actions, business and transactions authorized and permitted thereby shall be the same as those of the state licenses to which the city licenses correspond and which are indicated and described in the sections of state law indicated in the following schedule, and no person shall engage in any such action, business or transaction within the city without having first obtained the applicable state and city licenses to do so. The fees for such city licenses shall be as indicated in the following schedule and shall be per annum unless otherwise specified.

License	Statutory Authorization	Description of Authorized Business and Transactions	Fee
Authorized public consumption license	KRS 243.070(16)	KRS 243.089	\$250

Bottling house or bottling house storage license	KRS 243.070(12)	KRS 243.035	\$500
Brewer's license	KRS 243.070(13)(a)	KRS 243.150	\$500
Caterer's license	KRS 243.070(11)	KRS 243.033	\$400
Distiller's license	KRS 243.070(2)(a)	KRS 243.120	\$500
Extended hours supplemental license	KRS 243.070(10)	KRS 243.050(1)	\$400
Limited golf course license	KRS 243.070(15)(b)	KRS 243.039	\$600
Limited restaurant license	KRS 243.070(14)(b)	KRS 243.034	\$600
Malt beverage brew-on- premises license	KRS 243.070(13)(f)	804 KAR 4:340	\$100
Malt beverage distributor's license	KRS 243.070(13)(c)	KRS 243.180	\$300
Microbrewery license	KRS 243.070(13)(b)	KRS 243.157	\$500
Non-quota retail malt beverage package license (NQ)	KRS 243.070(13)(d) KRS 243.070(18)	KRS 243.280	\$200
Non-quota Type 1 retail drink license (NQ1)	KRS 243.070(5)	KRS 243.082	\$600
Non-quota Type 2 retail drink license (NQ2)	KRS 243.070(6)(b)	KRS 243.084	\$600

Non-quota Type 3 retail drink license (NQ3)	KRS 243.070(7)	KRS 243.086	\$250
Non-quota Type 4 retail malt beverage drink license (NQ4)	KRS 243.070(13)(e) KRS 243.070(18)	KRS 243.088	\$200
Quota retail drink license	KRS 243.070(3)(b)	KRS 243.250	\$600
Quota retail package license	KRS 243.070(2)(d)	KRS 243.240	\$1,000
Rectifier's license (Class A)	KRS 243.070(2)(b)(1)	KRS 243.130	\$500
Rectifier's license (Class B)	KRS 243.070(2)(b)(2)	KRS 243.130	\$500
Special Sunday retail drink license	KRS 243.070(9)	KRS 243.050(2)	\$250
Special temporary alcoholic beverage auction license	KRS 243.070(8)	KRS 243.036	\$50 per event
Special temporary license	KRS 243.070(4)(b)	KRS 243.260	\$50 per event
Supplemental bar license	KRS 243.070(17)	KRS 243.037	As provided in division
			(A)(2)(b)
Wholesaler's license	KRS 243.070(2)(c)	KRS 243.160	\$2,000
		KRS 243.170	

## (2) Miscellaneous fees.

- (a) The holder of a non-quota retail malt beverage package license may obtain a non-quota Type 4 malt beverage drink license for a fee of \$50 per annum. The holder of a non-quota Type 4 malt beverage drink license may obtain a non-quota retail malt beverage package license for a fee of \$50 per annum.
- (b) The fee for each of the first five supplemental bar licenses shall be the same as the fee for the primary drink license. There shall be no charge for each supplemental bar license issued in excess of five to the same licensee at the same premises.

# (3) Prorate license fees.

- (a) When any person applies for a new or transfer of an existing license authorized to be issued pursuant to the provisions of this section after February 1 of any year, he or she shall be charged, if the license is issued, an amount equal to as many twelfths of the annual license fee as there are calendar months, including the month in which the license is granted, until the following November 30; provided, however, that, no license shall be issued for less than 50% of the annual license fee. If the license being sought is a batch license, any person or entity applies for a new or transfer of such license authorized pursuant to the provisions of this section after November 1 of any year, he or she shall be charged, if the license is issued, an amount equal to as many twelfths of the annual license fee as there are calendar months, including the month in which the license is granted, until the following August 31; provided, however, that, no batch license shall be issued for less than 50% of the annual license fee.
- (b) No abatement of license fees shall be permitted to any person who held a license of the same kind for the same premises in the preceding license period and who was actually doing business under the license during the last month of the preceding license period.
- (4) Delinquent financial claims. No license for the sale or manufacture of alcoholic beverages shall be granted or renewed for the operation on any premises, or to any person, firm, partnership or corporation, on or against which taxes, assessments or other financial claims of the city are delinquent or unpaid.

# (B) License application; contents.

- (1) Any person desiring to engage in any business or transaction in the city referenced in the division (A)(1) above licensing schedule shall, before so doing, file with the City Administrator an application on forms provided by the city, which shall be verified and contain the following information:
- (a) The name, age, address and residence of each applicant and if there is more than one and they are partners, the partnership, names and their addresses; and, if the applicant is a corporation, the application shall contain the name and address of the corporate officers, the board of directors, any stockholder that owns more than 50% of the stock and the name and address of the agent for service of process;

- (b) Whether or not the applicant is a citizen and resident of the state and for what period of time;
- (c) The name and address of each person interested or to become interested in the business for which the license is being sought, together with the nature of that interest, and if the applicant is a corporation; the names, addresses and agents of each officer, director and managerial employee and the name of the state under the law of which such corporate applicant is incorporated;
- (d) The street and number of the premises to be licensed, whether or not the applicant is the owner of such premises or what interest he or she has therein and the name and address of any other person, either as principal or associate, who is interested with applicant either in the premises or in the business to be licensed;
- (e) A statement that the applicant will, in good faith, abide by every statute, federal or state, and the ordinances of the city relating to the manufacture, sale and transportation of alcoholic beverages that may or shall be in force pertaining thereto; and
- (f) A statement that neither the applicant nor any person interested or to become interested therein has been convicted of any felony at any time or convicted of any misdemeanor or violation directly or indirectly attributable to the use, manufacture, sale or traffic in alcoholic beverages within two years preceding the date of application and that he or she has not had any license that has been issued to him or her for such purposes, suspended or revoked for cause within two years prior to the date of such application.
- (2) If the City Administrator is satisfied hat the license should be granted, an order shall be passed to that effect and thereupon a license shall be issued to the applicant.
- (C) Certified check required; refund on rejection. All applications filed for a license pursuant to this section shall be accompanied by a certified check in the amount of the cost of the license applied therefor. If the application for the license shall be rejected, the check shall be immediately returned to the applicant.
- (D) Change in fact situation after issuance of license; supplemental statements. If, after a license has been issued, there is a change in any of the facts required to be set forth under this section, a verified supplemental statement, in writing, giving notice of such change shall be filed with the City Administrator within ten days after such change occurs.
  - (E) Conditions of premises.
- (1) No license for the sale of alcoholic beverages at retail shall be issued for any premises, unless the applicant for the license is the owner of the premises or is in possession of the premises under a written lease for a term not less than the license period.
- (2) No premises shall be licensed for the sale of alcoholic beverages at retail, except where the licensee's premises and the entrance to the premises are on the street level and located in a business center or on a main thoroughfare.

- (F) Location of premises to be licensed.
- (1) No license for the sale of alcoholic beverages at retail shall be issued for any premises that is located on the same street as and within 200 feet of a building occupied exclusively as a school, hospital, or place of worship, without giving a ten-day written notice to the governing authority of the school, hospital or place of worship, setting forth the kind of license for which the applicant intends to apply. Such notice must be sent by registered mail through the post office of the United States, and the return registered mail receipt and a copy of the notice shall be attached to the application at the time application is made.
- (2) The section shall not apply to a hotel, drug store or private club which has been bona fide in business as a licensee at the location for not less than one year preceding the passage of the Alcoholic Control Administration Act of 1938.
- (3) Measurement of the 200-foot distance referred to shall be taken on the street on which the licensee's premises are located in a straight line from the nearest property line of the real estate on which is located the building used for the school, hospital or place of worship, to the nearest property line of the real estate on which is located the building for which a license is sought.
  - (G) Qualification of licensee.
- (1) No natural person shall become a licensee under the provisions of this section who:
- (a) Has been convicted of any misdemeanor or felony directly or indirectly attributable to the use of alcoholic beverages within two years preceding the application;
  - (b) Is under the age of 21 years; or
  - (c) Is not an actual bona fide resident of the state or of the United States.
- (2) No partnership, limited partnership, limited liability company or corporation shall become a licensee under the provisions of this section if any member of the partnership or any of the directors, principal officers or managers would not qualify as a licensee under divisions (G)(1)(a) or (G)(1)(b) above.
- (H) Licenses; expiration date. All licenses issued under or pursuant to the provisions of this section shall expire at midnight on November 30 of each year. Notwithstanding the foregoing, if a license holder has properly obtained permission from the state's Department of Alcoholic Beverage Control to renew licenses on a batch basis, the city license shall be renewable on the date consistent with the batch renewal date determined by the state's Department of Alcoholic Beverage Control.
- (I) Contents of license. All licenses issued pursuant to this section shall contain the following information:
  - (1) The name and address of the licensee;

- (2) The number of the license;
- (3) The type of license;
- (4) A description by street and number of the licensed premises;
- (5) The name and address of the owner of the building in which the licensed premises are located;
  - (6) The expiration date of the license; and
- (7) A statement in substance that the license shall not be a property or vested right and that it may be revoked or suspended at any time pursuant to law.
  - (J) Display of license; duplicate licenses.
- (1) Before commencing or doing any business for the time for which a license has been issued, the license shall be posted and at all times displayed in a conspicuous place in the room or principal room where the business is carried on so that all persons visiting the place may readily see the license.
- (2) Whenever a license is lost or destroyed without the fault of the licensee or his or her agent or employee, a duplicate license shall be issued on proof of loss satisfactory to the City Administrator and upon the payment of a fee of \$5.
  - (K) License revocation or suspension.
- (1) Any license issued pursuant to this section may be revoked or suspended by the City Administrator, after complying with the hearing requirements below, for the following causes:
- (a) Conviction of the licensee or his or her agent or employee of selling any illegal beverages on the premises licensed;
- (b) If the licensee makes any false material statements in an application for a license;
- (c) If the licensee violates any provisions of the laws of the state, the United States Government or the ordinances of the city, pertaining to alcoholic beverages, their regulation and control;
  - (d) Conviction of the licensee of any felony;
- (e) Conviction of the licensee, or his or her agent who controls or operates the licensee's premises, of any offense pertaining to prostitution, illegal gambling, knowingly possessing or receiving stolen property, sale or use of illegal drugs or the illegal sale or use of controlled substances or prescription drugs;
- (f) If the licensee allows the premises to be used as the site for any criminal activity nuisance, as defined by § 92.10 of this code of ordinances;

- (g) If the licensee allows the premises to be used as the site for any public nuisance, as defined in § 92.05 of this code of ordinances;
- (h) If licensee allows the premises to be used as the site for a unlicensed sexually-oriented business;
- (i) If the licensee is delinquent or in default of an obligation to pay a loan, fine, lien or other financial obligation to the city, then license is subject to suspension until the obligation is satisfied; or
- (j) If the licensee is in violation of any provision of the Kentucky Standards of Safety (Fire Prevention Code), as adopted by the city pursuant to § 91.05 of this code of ordinances, or has failed to obtain a fire inspection of the licensed premises within the past 12 months. It shall be a defense to this division (K)(1) that the Fire Department has failed to conduct an inspection of the licensee's premises, unless such failure was the result of obstruction or interference by the licensee.
- (2) The existence of any delinquent or unpaid city taxes, assessments or other financial claims against or on any person, firm, partnership, corporation or premises, licensed for the sale or manufacture of alcoholic beverage shall be cause for revocation of the license of the person, firm, partnership or corporation or for the premises.
- (L) Suspension of license. The City Administrator may, after a hearing, order a suspension of the license for up to 180 days for any cause which he or she may, but is not required to, revoke under the provisions of the Alcoholic Beverage Control Act of the state, being KRS Ch. 241 to 244 and the ordinances of the city. The suspended licensee may pay a fine of \$50 per day in lieu of the suspension, subject to the approval of the City Administrator. The City Administrator shall issue a written order of such suspension via regular United States mail to the licensee's address indicated on the license.
- (M) Issuance of license after revocation. Any person, partnership, LLC or other corporate entity who has suffered, or any of its members or partners have suffered, a revocation under the provisions of this section shall not again be licensed for that purpose within a period of two years after the date of revocation.
- (N) Conditions of accepting license. All licenses issued pursuant to this section shall be accepted by the applicant subject to the following conditions.
- (1) The premises so licensed shall be subject to the entry of police, the City Administrator or other duly authorized representatives of the city, at all reasonable hours for the purpose of inspection and search, and for the removal from the premises of all things and articles contained on the premises in violation of the ordinances of the city and the laws of the state.
- (2) The licensee holding a license pursuant to this chapter shall not sell any alcoholic beverages behind blinds or screens, but such sales shall be conducted openly and without any attempt to hide or screen the sales from the public view, in conformity with state law.

- (3) No person licensed to sell alcoholic beverages at retail shall cause, suffer or permit the licensed premises to be disorderly. The license of any establishment deemed to be a disorderly premises may be subject to revocation or suspension. Acts which constitute disorderly premises consist of causing, suffering or permitting patrons, the licensee, or the licensee's servants, agents or employees, to cause public inconvenience, annoyance or alarm or creating a risk through:
  - (a) Engaging in fighting or in violent, tumultuous or threatening behavior;
- (b) Making <del>[unreasonable]</del> <u>excessive</u> noise <u>in violation of the following</u> standards:
- 1. Excessive daytime noise. Any sound or amplified sound between the hours of 8:00 a.m. through 10:00 p.m. Sunday through Thursday or from 8:00 a.m. to 11:00 p.m. Friday and Saturday that is plainly audible at the following distances:
- (a) One hundred feet from the source of the noise when it originates on public property within the city; or
- (b) One hundred feet from any point on the property line when the noise originates from private property within the city.
- 2. Excessive nighttime noise. Any sound or amplified sound between the hours of 10:00 p.m. through 8:00 a.m., beginning Sunday night through Friday morning, and from 11:00 p.m. to 8:00 a.m., beginning Friday night through Sunday morning, that is plainly audible at the following distances:
- (a) Fifty feet from the source of the noise when it originates on public property within the city; or
- (b) Fifty feet from any point on the property line when the noise originates from private property within the city.
- (c) Refusing to obey an official order to disperse issued to maintain public safety in dangerous proximity to a fire, hazard or other emergency;
- (d) Creating a hazardous or physically offensive condition by any act that serves no legitimate purpose;
  - (e) Creating a public nuisance;
- (f) Engaging in criminal activity that would constitute a capital offense, felony or misdemeanor; or

(g) Failing to maintain the minimum health, fire, safety or sanitary standards established by the state or a local government, or by state administrative regulations, for the licensed premises.

### § 112.99 PENALTY.

- (A) (1) Any person found guilty of violating any provision of §§ 112.02, 112.06, 112.07 or 112.08 of this chapter, except § 112.06(N)(3)(b) or § 112.06(P), shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding \$500 or by imprisonment in the county jail for not more than 90 days, or both fine and imprisonment in the discretion of the court.
- (2) Any license holder who accumulates three violations of § 112.06(N)(3)(b) within a period of twelve consecutive months shall be referred to the city's Alcoholic Beverage Control Board for the imposition of any administrative penalty including an administrative fine and/or a suspension of the license for period of up to two weeks.
- [(2)] (3) This penalty may be imposed in addition to any administrative penalty imposed by the city's Alcoholic Beverage Control Administrator or the state's Alcoholic Beverage Control Board.
- (B) Any person, firm or corporation convicted of violating § <u>112.06(P)</u> of this chapter shall be deemed guilty of a misdemeanor and shall be fined not less than \$25, nor more than \$500, in the discretion of the District Court.
- (C) (1) Any person who violates any provision of § 112.09 of this chapter shall be deemed guilty of a misdemeanor and shall be fined in an amount of not less than \$50, nor more than \$500, or imprisoned for not more than 90 days, or both fine and imprisonment for each violation, in the discretion of the court.
- (2) The criminal penalty shall be in addition to any penalty imposed by revocation or suspension of the 2:30 a.m. permit by the city's Alcoholic Beverage Control Board.
- (D) Any person found to be in violation of the provisions of § <u>112.10</u> of this chapter shall be deemed guilty of a misdemeanor and shall be fined in a sum not more than \$500 or six months in jail, or both so fined and imprisoned, at the discretion of a court of appropriate jurisdiction.
- (E) Any person found to be in violation of § 112.11 of this chapter shall be deemed guilty of a misdemeanor and shall be fined in a sum not more than \$500 or imprisoned for not more than six months in jail, or both so fined and imprisoned at the discretion of the court of appropriate jurisdiction.

(F) Any person found to be in violation of the provisions of § <u>112.12</u> of this chapter shall be deemed guilty of a violation and shall, upon conviction thereof, be fined not less than \$10, nor more than \$100, for each offense.

(1984 Code, § 111.999) (Ord. O-6-82, passed 2-2-1982; Ord. O-9-83, passed 3-8-1983; Ord. O-15-86, passed 3-18-1986; Ord. O-55-86, passed 9-2-1986; Ord. O-18-90, passed 5-15-1990; Ord. O-13-94, passed 4-12-1994)

#### Section 2

That this amended ordinance shall take effect and be in full force when passed, published, and recorded according to law.

MAYOR U Meyer

ATTEST:

CITY CLERK

Passed: June 27, 2023 (Second Reading)

June 13, 2023 (First Reading)